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National Association of  
Securities Dealers  
9509 Key West Avenue  
Rockville, MD 20850  
(800) 289-9999

October 27, 2004

Sara Davis  
One Beacon St.  
Boston, MA 02108

NASD BROKERCHECK  
RESPONSE TO REQUEST FOR INFORMATION

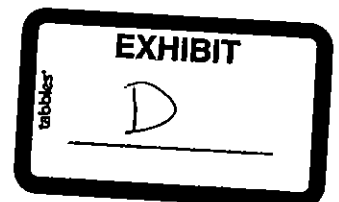
The Board of Governors of the National Association of Securities Dealers, Inc. (NASD) has adopted a public disclosure policy which permits certain types of disciplinary information on NASD member firms and their associated persons to be available to the general public. Section 15A(i) of the Securities Exchange Act of 1934, as amended, requires registered securities associations to respond to inquiries regarding disciplinary actions involving its members and their associated persons. NASD believes that the general public should have access to information which will help them in their determination whether to conduct or continue to conduct business with an NASD member or any of the member's associated persons.

In that regard, enclosed please find the information that you have requested.

A list of the terms and conditions of NASD BrokerCheck is  
as follows:

NASD BrokerCheck  
Terms and Conditions

1. NASD collects, compiles, organizes, indexes, digitally converts and maintains regulatory information from registered persons, member firms, government agencies and other sources and maintains information in the proprietary Central Registration Depository ("CRD(r)") database and system. NASD releases such information through NASD BrokerCheck, which provides information from CRD system to the investing public. Your access to NASD BrokerCheck information provided through NASD's CRD database and system does not transfer any rights in CRD, NASD BrokerCheck or related technologies to you.
2. Your use of NASD BrokerCheck information is conditioned upon your acceptance,



without modification, of all terms and conditions of this Agreement. Any information accessed, requested or provided through NASD BrokerCheck must be accessed, requested and used in accordance with the terms and conditions specified in this Agreement. NASD reserves any rights not expressly granted under these terms and conditions. Additionally, NASD reserves the right, at its sole discretion, to modify the terms and conditions for use of NASD BrokerCheck information at any time by changing this Agreement, and any changes are effective immediately. Such changes will be posted on the NASD BrokerCheck web site.

3. CRD and NASD BrokerCheck are proprietary databases and employ proprietary software, but NASD makes no exclusive proprietary claim to the information in the NASD BrokerCheck system that is not created by NASD. You are neither restricted nor prohibited by NASD from obtaining a copy of any original filing or information from a non-NASD source.
4. The information provided through NASD BrokerCheck shall be used ONLY for your own personal or professional use, and in accordance with all other terms and conditions of this Agreement:
  - a. to assist you, your clients or your organization in determining whether to conduct or continue to conduct securities or commodities business with NASD member firms or their associated persons;
  - b. to assist you, your clients or your organization in judicial proceedings or arbitration proceedings relating to securities or commodities transactions; or
  - c. for non-commercial purposes consistent with the promotion of just and equitable principles of trade and the protection of investors and the public interest.
5. The information provided to you through NASD BrokerCheck is provided to you ONLY for your own personal or professional use. All other uses are prohibited. You agree that you will not duplicate, download, publish, publicly display, modify or otherwise distribute the information retrieved from NASD BrokerCheck for any purpose other than as expressly permitted by this Agreement. In no event may you offer to others any information retrieved from NASD BrokerCheck for commercial purposes, or as part of a subscription service or similar arrangement. You agree that you will not use the information retrieved from NASD BrokerCheck to develop or create a database of information to be sold, licensed or made otherwise commercially available. You agree that you will not use any process to monitor or copy NASD BrokerCheck information in bulk, or to make voluminous, excessive or repetitive requests for information. You further agree that you will not use any device, software or routine to bypass any software or hardware that prohibits volume requests for information, you will not interfere with or attempt to interfere with the proper working of NASD BrokerCheck, and you will not take any action that imposes an unreasonable or disproportionately large load on NASD BrokerCheck or NASD.
6. All requests for permission to access or use NASD BrokerCheck for uses other than those described in Paragraphs 4 or 5 of this Agreement must be made in writing to NASD clearly stating the purpose and manner in which NASD BrokerCheck is proposed to be used. Requests may be submitted to NASD, NASD BrokerCheck, 9509 Key West Avenue, Rockville, Maryland, 20850. NASD, in its sole discretion, may approve or reject any request that is inconsistent with the terms and conditions of use of NASD BrokerCheck.
7. Provision of information by NASD pursuant to NASD BrokerCheck does not constitute a waiver of any of NASD's rights, privileges, or immunities with respect to the furnishing of disciplinary or registration information.
8. NASD does not charge for this service, which is offered pursuant to NASD's responsibilities as a self-regulatory organization, and, in particular, pursuant to Section 15A(i) of the Securities Exchange Act of 1934. In the

provision of this service, NASD makes no warranties of any kind, and disclaims liability to any person for any actions taken or omitted in good faith with respect to this NASD BrokerCheck. NASD is not responsible for and cannot verify information from sources other than NASD, and does not warrant or guarantee the accuracy or completeness of the information requested. Neither NASD nor any affiliate or supplier shall be liable for any cause of action in contract, tort, or otherwise, for more than the incremental telecommunications cost incurred to connect to the service. Notwithstanding the above, neither NASD nor any affiliate or supplier shall be liable for any loss of income, trading loss, or consequential, incidental, or indirect damages, regardless of whether NASD has been informed of the possibility of such damages.

9. Member firms, registered persons, government agencies, and other sources file disclosure information with NASD. Consistent with its responsibilities as a self-regulatory organization, NASD performs a regulatory review of the disclosure information filed before it makes the information available through NASD BrokerCheck. Most disclosure information is available through NASD BrokerCheck within two business days of being filed. In certain limited circumstances, disclosure information may not be available through NASD BrokerCheck within the usual timeframe, but will be made available as soon as practicable.
10. Consistent with policies and procedures approved by the Securities and Exchange Commission (SEC), NASD will disclose information on individuals and brokerage firms, through NASD BrokerCheck, for two years after the termination of the individual's or brokerage firm's NASD registration. Disclosure information reported to NASD after an individual or brokerage firm has terminated may not have been reviewed by the brokerage firm or individual; in addition, brokerage firms and individuals who are no longer registered are not required to independently report such information.
11. NASD BrokerCheck includes only information provided to CRD. In substantially all cases, the information provided through NASD BrokerCheck represents the verbatim record as it was reported to NASD. However, in certain limited circumstances, NASD combined information about a single event that was reported by different sources (e.g., a record reporting information on an event that was submitted by a brokerage firm may contain information reported on the same event that was submitted by a regulator). This condition occurred when the data in the Legacy CRD system was converted (i.e., reformatted and transferred) to Web CRD, the Internet-based Central Registration Depository. This condition affects a small percentage of records reported to NASD prior to August 1999. These converted records contain information that was reported to NASD in accordance with appropriate reporting protocols applicable to the source filers (e.g., brokerage firms and regulators); however, because of the combination of information from different reporting sources, a record disclosed through NASD BrokerCheck may not reflect the actual filing submitted to NASD.
12. The "Individual Broker comments," "Brokerage Firm comments" and "Regulator comments" appear verbatim as they were provided to CRD via Forms U-4, U-5, and U-6. These comments were not written by NASD and have not been edited by NASD in any way. NASD reserves the right to redact customer names, confidential customer information, or offensive or potentially defamatory language from an NASD BrokerCheck Report consistent with policies and procedures approved by the SEC.

TC 02.1

This report has been generated because you have requested information about an Individual Broker through NASD BrokerCheck. The information contained within this report has been provided by the individual broker, an NASD member firm(s), and/or securities regulators as part of the securities industry's registration and licensing process.

An NASD BrokerCheck report for an Individual Broker consists of: 1) a Report Summary; 2) the Individual Broker's Current Employment history; 3) the Individual Broker's Approved Registrations; 4) the Individual Broker's Previous Employment history, and 5) the Individual Broker's Disclosure Event information, if any.

NASD BrokerCheck discloses the following information on individual brokers:

- \* current employing brokerage firm
- \* all approved registrations
- \* 10 years of employment history
- \* disclosure matters involving certain criminal charges and convictions, regulatory actions, civil judicial actions, consumer initiated complaints, terminations, and certain financial actions (e.g., bankruptcies, unsatisfied judgments/liens.)

When evaluating this report, please keep in mind that a number of items may involve pending actions or allegations that may be contested and have not been resolved or proven. The items may, in the end, be withdrawn or dismissed, or resolved in favor of the individual broker, or concluded through a negotiated settlement with no admission or conclusion of wrongdoing.

Also remember that the information in this report is not the only resource you should consult. It is recommended that you learn as much as possible about the individual broker from other sources. Ask the individual broker for references. Ask family members or friends who already have established investment business relationships. Get in touch with local consumer and investors groups.

Should you have any questions concerning information contained within this report, call (800) 289-9999 - a toll-free NASD BrokerCheck hot-line operated by NASD - or visit NASD Web Site at [www.nasd.com](http://www.nasd.com). When calling or visiting the NASD Web Site, the information you will need includes:

- \* The complete name of the individual broker.
- \* The individual broker's current or previous employing brokerage firm.

For definition of terms contained within this report or answers to Frequently Asked Questions, visit the Glossary or FAQs sections of NASD BrokerCheck online at [www.nasd.com](http://www.nasd.com).

#### NASD BrokerCheck Report Printing Instructions

The report contained below can be printed as is. However, unless the following steps are taken, the report may not print with the headers aligned or the text may run off the page. For the following report to be printed correctly, the

following formatting steps must be completed:

- 1) Copy the text of the report into a text editor.
  - 2) Delete these instructions down to and including the first dashed line.
  - 3) Set the Font for the entire report to Courier, 8 point.
  - 4) Set the left and right margins to 0.
  - 5) Set the top and bottom margins to 0. Because every printer allows a different number of lines per page, the margins may have to be adjusted differently to get the headers to line up at the top of each page. The document is formatted to print 90 lines per page at the specified font.
  - 6) Print the report.
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NASD BrokerCheck October 27, 2004 Page 1  
This information is current as of: 10/27/2004

NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

\*\*\*\*\*  
REPORT SUMMARY  
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\*\*\*\*\*  
Employment History  
\*\*\*\*\*

Employment History: A ten year employment history is viewable through NASD BrokerCheck. For an individual that is currently registered with an NASD member firm the ten years precedes the current date. For an individual that is no longer registered with an NASD member firm, the ten years precedes the end date of the last employment with an NASD member firm.

Current Employments: 1  
Registrations: 8

Previous Employments: 2

\*\*\*\*\*  
Disclosure Events: Yes  
\*\*\*\*\*

Disclosure Event: Information that is required to be reported to NASD by individual brokers via Form U-4 (Uniform Application for Securities Industry Registration or Transfer) and brokerage firms via Form BD (Uniform Application for Broker-Dealer Registration). Some disclosure events may have multiple

reporting sources. For example, some information required to be reported by an individual broker via Form U-4 may also be reported on the individual broker's record by a brokerage firm via Form U-5 (Uniform Termination Notice for Securities Industry Registration) and/or by a regulator via Form U-6 (Uniform Disciplinary Action Reporting Form). If a disclosure event is reported by multiple sources, all versions of the reported event will be disclosed on the individual broker's NASD BrokerCheck report. Similarly, some information required to be reported by a brokerage firm via Form BD may also be reported on the brokerage firm's record via Form U-6. If a disclosure event is reported by multiple sources, all versions of the reported event will be disclosed on the brokerage firm's NASD BrokerCheck report.

Criminal Actions:	1
Regulatory Actions:	1
Civil Judicial Actions:	1
Terminations:	0
Customer Complaints:	7
Investigations:	0
Bonds:	0
Bankruptcies:	0
Judgment/Liens:	0

NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

\*\*\*\*\*  
CURRENT EMPLOYMENT  
\*\*\*\*\*

This section provides all current employments (investment-related and non-investment related) as reported on the individual broker's Form U-4. It displays the name of the employing brokerage firm that employs this individual broker, the brokerage firm's CRD number (if applicable), the location of the office where the individual broker is employed, and the individual broker's start date.

If the individual broker is currently employed with an investment adviser, the investment adviser's name and CRD number will display. However, additional information is not available on investment advisers through NASD BrokerCheck as they are not NASD registered firms.

If the individual broker is currently employed with a brokerage firm registered with any self-regulatory organization other than NASD (e.g., the NYSE), either the brokerage firm's name or "Other Business" will display as the Employing Brokerage Firm. To obtain the brokerage firm's name when "Other Business" displays as the Employing Brokerage Firm, please call the NASD BrokerCheck Call Center Hotline number, 1-800-289-9999.

A Brokerage Firm CRD Number will display for NASD registered firms the individual broker is currently associated with. A Brokerage Firm CRD Number will not display for NASD registered firms the individual broker was formerly associated with.

In addition, a Brokerage Firm CRD Number will not display for employing firms that are not NASD registered firms. Information on these employing brokerage firms is not available through NASD BrokerCheck.

This section also provides the jurisdictions with which the individual broker is currently registered or licensed to do business, the category of each registration, and the date on which the registration approval was granted.

\*\*\*\*\* CURRENT EMPLOYMENT (1 of 1) \*\*\*\*\*

Employing Brokerage Firm: SALOMON GREY FINANCIAL CORPORATION

Brokerage Firm CRD Number: 43413  
Office of Employment address: 5430 LBJ FREEWAY  
SUITE 1626  
DALLAS, TX 75240

Start Date: 11/10/1998 End Date: to present

Registrations:

Jurisdiction/SRO	Category	Status	As Of Date
CA	Agent	Approved	01/06/1999
CO	Agent	Approved	09/14/2000
NASD	Equity Trader	Approved	02/03/1999
NASD	Financial and Operations Principal	Approved	12/04/1998



NASD	General Securities	Approved	12/04/1998
	Principal		
NASD	General Securities	Approved	12/04/1998
	Representative		
NY	Agent	Approved	05/21/1999
TX	Agent	Approved	01/25/2001

Other Business

CONSULTING, PRIVATE FUNDING SALOMON GREY INTERNATIONAL, INC. PRESIDENT, CEO  
PRIVATE FUNDING, INTL CONSULTING, ETC FAT LADY SINGS 10% OWNERSHIP  
ENTERTAINMENT PRODUCTION COMPANY NON-INVESTMENT RELATED BROKER DEALER  
CONSULTANTS LLC OWNER CONSULTING ROWE AVIATION, LLC OWNER RKO ENERGY PARTNER  
ENERGY RESTORATION MANAGEMENT PARTNER HLF DEVELOPMENT, INC. NON-SECURITIES  
RELATED LAND DEVELOPMENT 50% OWNER BROWNING-WADE HOMES, LLC 33.3% OWNER HOME  
BUILDING - NON-INVESTMENT RELATED APPROX. START DATE: 09/20/2003 10 HOURS PER  
MONTH BROWNING WADE STONBRIDGE HARBOR ONE, LP CEO ROWE ENERGY GROUP, LLC  
CONSULTING, 100% OWNER

\*\*\*\*\*  
PREVIOUS EMPLOYMENT  
\*\*\*\*\*

This section provides 10 years of an individual's employment history. If the individual is currently registered with NASD, employment history will be displayed for the previous 10 years. If the individual is not currently registered with NASD, employment history will be displayed for the 10 years prior to termination of the registration. The brokerage firm's CRD number, the office of employment address where the individual broker was employed, and the dates of employment will be displayed.

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This information is current as of: 10/27/2004

NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

PREVIOUS EMPLOYMENT(cont.)

If the individual broker was previously employed with an investment adviser, the investment adviser's name and CRD number will display. However, additional information is not available on investment advisers through NASD BrokerCheck as they are not NASD registered firms.

If the individual broker was previously employed with a brokerage firm registered with any self-regulatory organization other than NASD (e.g., the NYSE), either the brokerage firm's name or "Other Business" will display as the Employing Brokerage Firm. To obtain the brokerage firm's name when "Other Business" displays as the Employing Brokerage Firm, please call the NASD BrokerCheck Call Center Hotline number, 1-800-289-9999.

A Brokerage Firm CRD Number will display for NASD registered firms the individual broker is currently associated with. A Brokerage Firm CRD Number will not display for NASD registered firms the individual broker was formerly associated with.

In addition, a Brokerage Firm CRD Number will not display for employing firms that are not NASD registered firms. Information on these employing brokerage firms is not available through NASD BrokerCheck.



\*\*\*\*\* PREVIOUS EMPLOYMENT (1 of 2) \*\*\*\*\*

Employing Brokerage Firm: PACIFIC CORTEZ SECURITIES INCORPORATED

Brokerage Firm CRD Number:  
Office of Employment address: DALLAS, TX  
Start Date: 04/1994 End Date: 11/1998

\*\*\*\*\* PREVIOUS EMPLOYMENT (2 of 2) \*\*\*\*\*

Employing Brokerage Firm: LA JOLLA CAPITAL CORPORATION

Brokerage Firm CRD Number:  
Office of Employment address: DALLAS, TX  
Start Date: 04/1994 End Date: 11/1998

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This information is current as of: 10/27/2004

NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

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CRIMINAL ACTIONS

\*\*\*\*\*

DISCLOSURE INFORMATION

This section contains information regarding criminal events that were reported to CRD. These events are disclosable through NASD BrokerCheck and include formal charges and convictions for all crimes involving felony offenses and for crimes involving certain misdemeanor offenses such as bribery, perjury, forgery, counterfeiting, extortion, fraud, wrongful taking of property, etc.

Some of the fields in this section of the report may be blank if the information was not provided to CRD.

\*\* OCCURRENCE COUNTS \*\* 1 Record(s)

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\*\* FIELD DEFINITIONS \*\*

\* Reporting Source: The form through which details of the criminal action was reported to CRD.

\* Date Reported: The date the criminal action was reported to CRD.

\* Court Details: Details regarding the court the charges were brought in (e.g., name and location of court, docket/case number, etc.).

\* Charge Date: Date the criminal charges were filed.

\* Charge Details: Details related to the criminal charge(s) (e.g., number of counts, felony or misdemeanor, plea, etc.).

\* Current Status: The current status of the criminal action (i.e., pending, on appeal or final).

\* Status Date: Date of appeal or final resolution. Will be blank if status is pending.

\* Disposition Details: Details related to the disposition of the action (e.g., convicted, acquitted, dismissed, pre-trial, sentence/penalty, etc.).

\* Summary: A summary of the circumstances related to the criminal action.

\*\*\*\*\*

\*\*\*\*\* CRIMINAL ACTION (1 of 1) \*\*\*\*\*

Reporting Source: Individual Broker (Form U-4)

Date Reported: 01/24/2001

Court Details: BRAZOS COUNTY DISTRICT COURT/STATE OF TEXAS

Charge Date: 08/27/1985

Charge Detail: CHARGED WITH BURGLARY OF BUILDING. PLEAD GUILTY. ALLOWED TO WITHDRAW ORIGINAL

PLEA OF GUILTY. PROCEEDINGS WERE DEFERRED WITHOUT THE ENTRY OF A JUDGEMENT OF GUILT. THE CHARGE, ACCUSATION, COMPLAINT, AND THE CASE WERE ALL DISMISSED.

Current status: Final

Status Date: 10/24/1985

Disposition

Details: NOT GUILTY. THE CHARGE, ACCUSATION, COMPLAINT, INCLUDING ANY AND ALL INFORMATION, ETC. AGAINST ROWE WERE COMPLETELY DISMISSED.

Summary: DISMISSED.

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This information is current as of: 10/27/2004

NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

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REGULATORY ACTIONS

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DISCLOSURE INFORMATION

This section lists regulatory actions that were reported to CRD and are disclosable through NASD BrokerCheck. Disclosable regulatory actions include formal proceedings initiated by a regulatory authority (i.e., a state securities agency, NASD, New York Stock Exchange, foreign regulatory body, etc.) for a violation of investment-related rules or regulations. In addition, revocations or suspensions of an individual broker's authority to act as an attorney, accountant or federal contractor will appear here.

Some of the fields in this section of the report may be blank if the information was not provided to CRD.

\*\* OCCURRENCE COUNTS \*\* 1 Record(s)

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\*\* FIELD DEFINITIONS \*\*

\* Reporting Source: The form through which details of the regulatory action was reported to CRD.

\* Date Reported: The date the regulatory action was reported to CRD.

\* Initiated By: The name of the securities regulator that initiated the regulatory action (e.g., regulator, foreign financial regulatory authority, self-regulatory organization, federal agency such as SEC, state, etc.).

\* Date Initiated: Date the regulatory action was initiated.

\* Docket/Case Number: Docket or case number of the regulatory action.

\* Employing Brokerage Firm: Brokerage Firm where individual broker was employed when activity occurred that led to the regulatory action.

\* Allegations: Allegations made against the individual broker leading to the regulatory action.

\* Current Status: The current status of the regulatory action (i.e., pending, on appeal or final).

\* Resolution: The resolution of the regulatory action (e.g., acceptance, waiver and consent; decision; decision and order of offer of settlement; order; settled; etc.).

\* Resolution Date: The date the regulatory action was resolved.

\* Sanction Details: Additional details regarding any sanctions ordered.

\* Summary: A summary of the details related to the regulatory action.

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\*\*\*\*\* REGULATORY ACTION (1 of 1) \*\*\*\*\*

Reporting Source: Regulator (Form U-6)

Date Reported: 08/24/2004

Initiated By: NASD

Date initiated: 09/02/2003

Docket/  
Case Number: CAF030043

Employing Brokerage Firm: SALOMON GREY FINANCIAL CORPORATION

Allegations: SEC REGULATION M, NASD RULE 2110 - A MEMBER FIRM, ACTING AT THE DIRECTION OF ROWE, PURCHASED SHARES OF STOCK BELOW THE CURRENT MARKET PRICE AND USED SPECIAL SELLING EFFORTS AND METHODS TO SELL SHARES OF STOCK TO RETAIL CUSTOMERS AT MARKET PRICES; BID FOR, PURCHASED, OR INDUCED OTHERS TO PURCHASE THE STOCK WHILE ENGAGED IN A DISTRIBUTION OF THE SECURITIES.

Current Status: Final

Resolution: Decision & Order of Offer of Settlement

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This information is current as of: 10/27/2004

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NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

REGULATORY ACTIONS(cont.)

Resolution Date: 08/04/2004

Sanctions  
Ordered: Monetary/Fine, Suspension

Monetary Amount: \$100,000.00

Resolution  
Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, KYLE B. ROWE CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE, HE IS FINED \$100,000.00 JOINTLY AND SEVERALLY AND SUSPENDED FROM ASSOCIATION WITH ANY NASD MEMBER IN ANY CAPACITY FOR TWO (2) WEEKS. THE SUSPENSION WILL COMMENCE WITH THE OPENING OF BUSINESS ON SEPTEMBER 7, 2004, AND WILL CONCLUDE AT THE CLOSE OF BUSINESS ON SEPTEMBER 20, 2004.

Summary:

\*\*\*\*\*  
Reporting Source: Individual Broker (Form U-4)

Date Reported: 08/19/2004

Initiated By: NASD

Date initiated: 09/02/2003

Docket/  
Case Number: CAF030043

Employing Brokerage Firm: SALOMON GREY

Allegations: KYLE ROWE AND SALOMON GREY ARE THE SUBJECTS OF AN NASD COMPLAINT FOR RECOMMENDATION OF DISCIPLINARY ACTION FOR AN ALLEGED POTENTIAL VIOLATION OF REGULATION M WITH REGARD TO THE PURCHASE AND SELL OF A SECURITY. ALL PURCHASES OF THE SUBJECT

SECURITY WERE FROM ANOTHER MARKET MAKER. I AND SALOMON GREY  
INTEND TO VIGOROUSLY CONTEST THIS ALLEGATION.

Current Status: Final

Resolution: Settled

Resolution Date: 08/04/2004

Sanctions

Ordered: Monetary/Fine, Suspension

Monetary Amount: \$100,000.00

Resolution

Details: KYLE B. ROWE TO BE SUSPENDED FROM ANY ASSOCIATION WITH ANY NASD  
MEMBER FOR TWO WEEKS IN ALL CAPACITIES FROM SEPTEMBER 7 TO  
SEPTEMBER 20, 2004.

Summary: SALOMON GREY FINANCIAL CORPORATION AND KYLE B. ROWE HAS  
CONSENTED, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OF THE  
COMPLAINT, AND SOLELY FOR THE PURPOSE OF THIS PROCEEDING TO BE  
FINED \$100,000.00, JOINTLY AND SEVERALLY, AND FOR KYLE B. ROWE  
TO BE SUSPENDED FROM ANY ASSOCIATION WITH ANY NASD MEMBER FOR  
TWO WEEKS IN ALL CAPACITIES.

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This information is current as of: 10/27/2004

NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

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CIVIL JUDICIAL ACTIONS

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DISCLOSURE INFORMATION

This section contains information regarding civil judicial actions that were reported to CRD. These actions are disclosable through NASD BrokerCheck and include injunctions issued by a foreign or domestic court in connection with investment-related activity, a finding by a domestic or foreign court of a violation of any investment-related statute(s) or regulation(s), and actions dismissed by a domestic or foreign court pursuant to a settlement agreement.

Some of the fields in this section of the report may be blank if the information was not provided to CRD.

\*\* OCCURRENCE COUNTS \*\* 1 Record(s)

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\*\* FIELD DEFINITIONS \*\*

- \* Reporting Source: The form through which details of the civil judicial action was reported to CRD.
- \* Date Reported: The date the civil judicial action was reported to CRD.
- \* Initiated By: The party that initiated the civil judicial action (e.g., regulator, foreign financial regulatory authority, self-regulatory organization, commodities exchange, etc.).
- \* Date Initiated: Date the civil judicial action was initiated or filed.
- \* Court Details: Details regarding the court the action was brought in (e.g., name and location of court, docket/case number, etc.).
- \* Employing Brokerage Firm: Brokerage Firm where individual broker was employed when activity occurred that led to the civil judicial action.
- \* Allegations: Allegations made against the individual broker leading to the civil judicial action.
- \* Current Status: The current status of the civil judicial action (i.e., pending, on appeal or final).
- \* Resolution: The resolution of the civil judicial action (e.g., consent, dismissed, judgment rendered, settled, withdrawn, etc.).
- \* Resolution Date: The date the civil judicial action was resolved.
- \* Sanction Details: Additional details regarding any sanctions ordered.
- \* Summary: Details of the circumstances related to the civil judicial action.

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\*\*\*\*\* CIVIL JUDICIAL ACTION (1 of 1) \*\*\*\*\*



Reporting Source: Regulator (Form U-6)

Date Reported: 10/05/2002

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 09/30/2002

Court Details: U.S. DISTRICT COURT FOR THE DISTRICT OF UTAH, CIVIL ACTION NO. 2:02CV-1086 TC  
(D. UTAH 2002)

Employing Brokerage Firm:

Allegations: SEC LITIGATION RELEASE NO. 17756, SEPTEMBER 30, 2002 - ON  
SEPTEMBER 30, 2002, THE U.S. SECURITIES AND EXCHANGE  
COMMISSION FILED A CIVIL INJUNCTIVE ACTION IN THE UNITED  
STATES DISTRICT COURT FOR THE DISTRICT OF UTAH CHARGING ROWE,  
12 INDIVIDUALS AND A DALLAS BROKER-DEALER WITH SECURITIES  
FRAUD IN A SCHEME TO MANIPULATE STOCK FROM JULY 2000 THROUGH  
NOVEMBER 2000. AT THE TIME OF THE MANIPULATION, THE ISSUER WAS  
A START-UP COMPANY THAT PURPORTED TO MANUFACTURE WETSUITS AND  
OTHER SURF-RELATED APPAREL. THE STOCK WAS TRADED ON THE NASD'S  
OVER-THE-COUNTER BULLETIN BOARD ("OTC-BB"). THE COMPLAINT

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This information is current as of: 10/27/2004

NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

#### CIVIL JUDICIAL ACTIONS(cont.)

ALLEGES THAT ROWE HAD A PRE-EXISTING ARRANGEMENT TO OBTAIN  
FREE AND DEEPLY DISCOUNTED BLOCKS OF STOCK FOR RETAIL SALES TO  
THE PUBLIC AT MANIPULATED PRICES. THE COMPLAINT FURTHER  
ALLEGES THAT THE DEFENDANTS SHUT DOWN THE MANIPULATION AFTER  
THE COMMISSION STAFF BEGAN INVESTIGATING IN EARLY NOVEMBER  
2000. THEREAFTER, THE PRICE OF THE STOCK DROPPED TO A LOW OF  
APPROXIMATELY \$.19 PER SHARE BY THE END OF DECEMBER 2000. IN  
THE SPRING OF 2001, THE DEFENDANTS SOLD OVER 1.1 MILLION  
SHARES OF THE STOCK IN UNREGISTERED TRANSACTIONS FROM AN  
ESCROW BROKERAGE ACCOUNT.

Current Status: Pending

Summary:

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Reporting Source: Individual Broker (Form U-4)

Date Reported: 10/16/2002

Initiated By: SECURITIES EXCHANGE COMMISSION

Date Initiated: 09/30/2002

Court Details: U.S. DISTRICT COURT FOR UTAH, CASE NUMBER 2:02CV - 1086 TC (D. UTAH 2002)

Employing Brokerage Firm: SALOMON GREY FINANCIAL CORPORATION

Allegations: THE SEC HAS ALLEGED THAT SALOMON GREY SOLD UNREGISTERED

SECURITIES, PARTICIPATED IN THE MANIPULATIVE ACTIVITIES OF OTHERS AND SOLD STOCK AT EXCESSIVE MARKUPS TO CUSTOMERS OF SALOMON GREY FINANCIAL CORPORATION.

Current Status: Pending

Summary: THE FIRM AND THE INDIVIDUAL DEFENDANTS WILL DENY THE SEC'S ALLEGATIONS WHEN THEIR ANSWERS ARE FILED. ALL INTEND TO VIGOROUSLY DEFEND THEMSELVES IN THIS FRIVOLOUS LAWSUIT. THE FIRM WILL PROVE THAT IT BOUGHT A SIZEABLE BLOCK OF AN ILLIQUID SECURITY FROM ANOTHER MARKET MAKER AT A DISCOUNT FROM THE MARKET. THE FIRM WAS AT RISK AT ALL TIMES AFTER THIS PURCHASE. THE FIRM RETAILED SOME OF THE BLOCK PURCHASE TO ITS CUSTOMERS AND WHOLESALED THE REST TO OTHER FIRMS AND LOST MONEY IN ITS WHOLESALE ACTIVITIES. COUNSEL FOR THE COMPANY BELIEVES THE FIRM ACTED IN A LAWFUL MANNER, CONSISTENT WITH REGULATORY REQUIREMENT AND CUSTOM AND PRACTICE IN THE SECURITIES INDUSTRY. COUNSEL IS OF THE BELIEF THAT SALOMON GREY AND THE INDIVIDUAL DEFENDANTS WILL PREVAIL IN THIS ACTION. THE ANSWERS ARE DUE TO BE FILED ON NOVEMBER 15, 2002 AFTER WHICH DISCOVERY WILL COMMENCE. IT IS ESTIMATED BY COUNSEL THAT THIS MATTER WILL NOT GO TO TRIAL FOR TWO YEARS OR MORE.

NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

\*\*\*\*\*  
CUSTOMER COMPLAINTS  
\*\*\*\*\*

DISCLOSURE INFORMATION

This section contains information regarding customer complaints that were reported to CRD. These events are disclosable through NASD BrokerCheck and include consumer-initiated, investment-related arbitration proceedings or civil suits which contain allegations of sales practice violations against the individual broker and are either pending, resulted in an award against the individual broker, or were settled for \$10,000 or more. Customer complaint events also include consumer-initiated, investment-related complaints which contain allegations of sales practice violations against the individual broker and which were settled for \$10,000 or more, as well as consumer-initiated, investment-related written complaints filed within the past twenty-four months which contain either allegations of sales practice violations and damages of \$5,000 or allegations of forgery, theft, or misappropriation of funds or securities.

Some of the fields in this section of the report may be blank if the information was not provided to CRD.

The customer complaints listed in this report may include allegations that have been filed with a brokerage firm, an arbitration forum, or a court, but that have not been verified or proven to be true. Therefore, you should not assume that all allegations that may be contained in this report are true or will be proven to be true. NASD encourages you to discuss any concerns you may have with the information contained in this report with your brokerage firm or individual broker, who can provide you with any further information that you may require.

\*\* OCCURRENCE COUNTS \*\* 7 Record(s)

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\*\* FIELD DEFINITIONS \*\*

- \* Reporting Source: The form through which details of the customer complaint was reported to CRD.
- \* Date Reported: The date the customer complaint was reported to CRD.
- \* Date Received: Date the complaint was received at the brokerage firm or filed as an arbitration or civil suit.
- \* Employing Brokerage Firm: Brokerage Firm where individual broker was employed when activity occurred that led to the complaint.
- \* Allegations: Allegations made against the individual broker leading to the customer complaint.
- \* Alleged Damages: Alleged dollar amount of compensatory damages sought by the customer.

- \* Action Pending?: An indication (i.e., yes or no) as to whether the complaint is still pending.
- \* Status: Status of complaint if not pending (e.g., closed, resulted in no action taken, withdrawn, denied, settled, resulted in an arbitration or litigation, etc.).
- \* Resolution Date: Date associated with the status of the complaint. Will be blank if complaint is still pending.
- \* Settlement Amount: The dollar amount the brokerage firm and/or individual broker paid the customer to satisfy the claim.
- \* Individual Contribution: The dollar amount the individual broker contributed to the settlement amount.
- \* Arbitration/Reparation DetThe name of the self-regulatory organization/agency where the claim was filed and the claim 's docket case number.
- \* Service Date: The date the brokerage firm/individual broker received notice of the claim or the date Service of Process for the claim was received.
- \* Pending?: An indication (i.e., yes or no) as to whether the claim is still pending.
- \* Monetary Compensation: The dollar amount the individual broker paid in accordance with an arbitration/civil litigation award, settlement, or reparation.

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NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

CUSTOMER COMPLAINTS(cont.)

- \* Disposition: Details of the disposition of the arbitration, reparation or litigation if status of the complaint indicates either arbitration, reparation or litigation.
- \* Disposition Date: The disposition date of the arbitration, reparation or litigation.
- \* Summary: Details related to the circumstances of the complaint.

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\*\*\*\*\* CUSTOMER COMPLAINT (1 of 7) \*\*\*\*\*

Reporting Source: Individual Broker (Form U-4)

Date Reported: 10/20/2004

Date Received: 08/05/2004

Employing Brokerage Firm: SALOMON GREY FINANCIAL CORP.

Allegations: ALLEGATIONS OF UNAUTHORIZED TRADING, PRICE GOUGING, BAIT AND SWITCH, UNSUITABLE RECOMMENDATIONS AND FRAUDULENT INDUCEMENT.

Alleged Damages: \$96,005.78

Resolution: Arbitration/Reparation

Resolution

Date: 08/05/2004

Arbitration/Reparation

Details: NASD CASE NO. 04-03992

Service Date: 08/05/2004

Pending?: Yes

Disposition

Details: MR. ROWE IS THE OWNER OF THE FIRM AND HAS NO DIRECT KNOWLEDGE OF THE ALLEGED ACTIVITY. MR. ROWE FEELS HE WAS ONLY NAMED IN THIS CASE DUE TO THE FACT IS THE OWNER OF THE FIRM AND INTENDS TO VIGOROUSLY DEFEND HIMSELF.

\*\*\*\*\* CUSTOMER COMPLAINT (2 of 7) \*\*\*\*\*

Reporting Source: Individual Broker (Form U-4)

Date Reported: 06/18/2004

Date Received: 05/21/2004

Employing Brokerage Firm: SALOMON GREY AND MILESTONE GROUP

Allegations: FAILURE TO SUPERVISE

Alleged Damages: \$17,744.00

Action Pending?: No

Resolution: Arbitration/Reparation

Resolution

Date: 05/21/2004

Arbitration/Reparation

Details: NASD CASE # 04-02480

Service Date: 05/21/2004

Pending?: Yes

Disposition

Details: MR. ROWE FEELS HE WAS UNJUSTLY NAMED IN THIS ARBITRATION. MR. ROWE IS THE PRESIDENT OF SALOMON GREY, HAD NO DIRECT SUPERVISOR DUTIES RELATING TO THE BROKER AND HAD NO CONTACT

WITH THIS CUSTOMER. THE CLAIMANT HAS ATTEMPTED TO NAME ALL  
CONTROL PERSONS WITH THE FIRM. MR. ROWE INTENDS TO VIGOROUSLY  
DEFEND HIMSELF AND EXPECTS TO BE EXONERATED.

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NASD Registered Person: KYLE BROWNING ROWE  
CRD Number: 2310978

CUSTOMER COMPLAINTS(cont.)

\*\*\*\*\* CUSTOMER COMPLAINT (3 of 7) \*\*\*\*\*

Reporting Source: Individual Broker (Form U-4)

Date Reported: 06/21/2004

Date Received: 07/27/2001

Employing Brokerage Firm: SALOMON GREY FINANCIAL

Allegations: ALLEGATIONS OF BREACH OF CONTRACT, FRAUD,  
UNSUITABILITY, NEGLIGENCE, BREACH OF FIDUCIARY DUTY, FAILURE  
TO SUPERVISE.

Alleged Damages: \$138,000.00

Action Pending?: No

Resolution: Arbitration/Reparation

Resolution

Date: 05/20/2002

Arbitration/Reparation

Details: NASD CASE NO. 01-06306

Service Date: 05/20/2002

Pending?: No

Disposition: Settled

Disposition

Date: 10/30/2002

Monetary Compensation

Amount: \$30,000.00

Individual Contribution

Amount: \$0.00

Disposition

Details: MR. ROWE WAS NOT THE BROKER OF RECORD AND BELIEVES HE WAS NAMED  
IN THIS ARBITRATION DUE TO HIS POSITION AS PRESIDENT OF  
SALOMON GREY FINANCIAL.

\*\*\*\*\* CUSTOMER COMPLAINT (4 of 7) \*\*\*\*\*

Reporting Source: Individual Broker (Form U-4)

Date Reported: 08/19/2003

Date Received: 04/30/2002

Employing Brokerage Firm: SALOMON GREY FINANCIAL CORP

Allegations: CUSTOMER ALLEGES VIOLATION OF SEC RULE 10(B). 10(B)5, BREACH OF  
FIDUCIARY DUTY, NEGLIGENT SUPERVISION, BREACH OF CONTRACT,  
VIOLATION OF SEC. 56U.K. FINANCIAL SERVICES ACT AND TEXAS DTPA.

Alleged Damages: \$434,998.00

Action Pending?: No

Resolution: Arbitration/Reparation

Resolution

Date: 04/30/2002

Arbitration/Reparation

Details: NASD CASE NO. 02-01937

Service Date: 04/30/2002

Pending?: No

Disposition: Settled

Disposition

Date: 08/15/2003

Monetary Compensation

Amount: \$350,000.00

Individual Contribution

Amount: \$0.00

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This information is current as of: 10/27/2004

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NASD Registered Person: KYLE BROWNING ROWE

CRD Number: 2310978

CUSTOMER COMPLAINTS(cont.)

Disposition

Details: MR. ROWE BELIEVES HE WAS NAMED IN THIS ARBITRATION AS A RESULT  
OF HIS POSITION AS PRESIDENT OF SALOMON GREY.

\*\*\*\*\* CUSTOMER COMPLAINT (5 of 7) \*\*\*\*\*

Reporting Source: Individual Broker (Form U-4)



Date Reported: 07/30/2002

Date Received: 07/01/2002

Employing Brokerage Firm: SALOMON GREY FINANCIAL CORP

Allegations: UNSUITABILITY, FRAUD, DECEIT AND OMISSION OF MATERIAL FACT,  
UNAUTHORIZED DISCRETIONARY TRADING, CHURNING, VIOLATION OF  
SECTION 10(B) OF THE EXCHANGE ACT, MISREPRESENTATION AND  
OMISSIONS, BREACH OF FIDUCIARY DUTY AND FAILURE TO SUPERVISE

Alleged Damages: \$139,326.00

Action Pending?: No

Resolution: Arbitration/Reparation

Resolution

Date: 07/01/2002

Arbitration/Reparation

Details: NASDR CASE NO. 02-02522

Service Date: 07/01/2002

Pending?: Yes

Disposition

Details: MR. ROWE STATES THAT HE WAS NAMED IN THIS ARBITRATION AS A  
RESULT OF HIS POSITION AS PRESIDENT, CONTROL PERSON, OF  
SALOMON GREY.

\*\*\*\*\* CUSTOMER COMPLAINT (6 of 7) \*\*\*\*\*

Reporting Source: Individual Broker (Form U-4)

Date Reported: 06/21/2004

Date Received: 03/18/2002

Employing Brokerage Firm: SALOMON GREY FINANCIAL CORPORATION

Allegations: CUSTOMER ALLEGES UNSUITABILITY, CHURNING, MISREPRESENTATION,  
BREACH OF FIDUCIARY DUTY AND FAILURE TO SUPERVISE.

Alleged Damages: \$50,000.00

Action Pending?: No

Resolution: Arbitration/Reparation

Resolution

Date: 03/18/2002

Arbitration/Reparation

Details: NASD-DR CASE NUMBER 02-00550

Service Date: 03/18/2002

Pending?: No

Disposition: Settled

Disposition

Date: 03/03/2004

Monetary Compensation

Amount: \$25,000.00

Individual Contribution

Amount: \$0.00

Disposition

Details:

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NASD Registered Person: KYLE BROWNING ROWE

CRD Number: 2310978

CUSTOMER COMPLAINTS(cont.)

\*\*\*\*\* CUSTOMER COMPLAINT (7 of 7) \*\*\*\*\*

Reporting Source: Individual Broker (Form U-4)

Date Reported: 05/15/2002

Date Received: 12/06/2001

Employing Brokerage Firm: SALOMON GREY FINANCIAL CORPORATION

Allegations: CLAIMANT ALLEGES MR. ROWE ORGANIZED SALOMON GREY AS A  
CONTINUATION OF HIS PREVIOUS EMPLOYER AND ALLEGEDLY ENGAGED IN  
MISREPRESENTATION, BREACH OF FIDUCIARY DUTY AND NEGLIGENCE IN  
THE HANDLING OF CLAIMANT'S ACCOUNT

Alleged Damages: \$74,934.00

Action Pending?: No

Resolution: Arbitration/Reparation

Resolution

Date: 12/06/2001

Arbitration/Reparation

Details: NASD-DR ARBITRATION NUMBER 01-06157

Service Date: 12/06/2001

Pending?: Yes

Disposition

Details: MR. ROWE STATES THAT SALOMON GREY IS NOT A SUCCESSOR NOR A  
CONTINUATION OF HIS PREVIOUS EMPLOYER, THAT HE DID NOT ACT AS  
THE BROKER FOR THE CLAIMANT AND WAS NAMED IN THIS ARBITRATION  
AS A RESULT OF HIS POSITION AS PRESIDENT OF SALOMON GREY.

\*\*\*\*\* END OF REPORT \*\*\*\*\*